



**CITY OF MODESTO
COUNCIL AGENDA REPORT**

DATE OF MEETING:

June 5, 2018

Date: May 18, 2018

TO: Mayor and City Council

THROUGH: Joseph P. Lopez, Interim City Manager

FROM: Charlie Haase, Chief Information Officer

SUBJECT: Software Maintenance Support Agreements for FY 2017-2018

CONTACT: Charlie Haase, Chief Information Officer, chaase@modestogov.com, 577-5229

DESCRIPTION:

Consider approving the payment of software maintenance support agreements for Fiscal Year 2017-2018 for an estimated annual cost not to exceed \$3,306,508. (Funding Source: General Fund, Grants – Police Fund, Liability Insurance Fund, and Information Technology Fund)

STRATEGIC PLAN ELEMENT:

As part of strategic commitment for an effective, responsive and transparent government, providing an innovative and accountable city government that embraces a standard of service excellence through adaptive leadership and responsive public services, the Information Technology Department continues to leverage the use of technology to streamline processes, maintain, analyze, provide information, and enhance services. This action supports Council's goal to develop a list of projects and internal strategies focusing on preventative and/or proactive technology maintenance.

BACKGROUND:

The City has an ongoing need for maintenance/support agreements for software assets utilized by the City. Through the recent review of agreements with software companies providing services to the City, several agreements were discovered that require Council approval for payment. Software applications are utilized by many departments throughout the City. Much of the software is managed and paid for through the Information Technology Fund, however, some of the software is managed and paid for by the individual departments that use the software.

In order to maximize efficiencies, staff is recommending the Council consider authorizing payment of these agreements in one action instead of authorizing them individually as their respective invoices are presented for payment.

DISCUSSION:

The attached Exhibit A – Software Maintenance Support Agreements FY 2017-18 is an itemized list of the software maintenance support agreements utilized throughout the City that require Council approval prior to proceeding with payment. The items listed in Exhibit A have current agreements that have been approved through the required contracting and purchasing policies and processes. Payments to these vendors have not been made and approval of this action will authorize payment. The total amount for Exhibit A is \$3,306,508. Each department shown in the exhibits has budgeted for these amounts in their respective Fiscal 2017-2018 budgets.

FISCAL IMPACT:

The Information Technology Fund is an internal service fund. Funding for these contracts/agreements has been budgeted in the FY 2017-2018 operating budget of the Information Technology Fund, Human Resources, and the Police Department's associated funds described in Exhibit A. Following is a summary of total estimated costs by fund:

Summary of Total Estimated Costs by Fund

Fund	Total
Fund 0100 - General Fund	\$2,679,541
Fund 1342 - Grants - Police	\$41,908
Fund 5230 - Information Technology	\$566,840
Fund 5330 - Liability Insurance Fund	\$18,219
Total	\$3,306,508

COMMITTEE RECOMMENDATION:

This item was presented at the April 30, 2018 Finance Committee Budget Workshops.

RECOMMENDED COUNCIL ACTION:

Staff Recommendations:

Resolution approving the payment of software maintenance support agreements for the remainder of Fiscal Year 2017-2018 for an estimated annual cost not to exceed \$3,306,508.

Approved by:

Charlie Haase, Chief Information Officer

Joseph P. Lopez, Interim City Manager

Attachments:

1. Resolution
2. Exhibit A – Software Maintenance Support Agreements for Fiscal Year 2017-2018